GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:4049
ANSWERED ON:09.12.2016
CSR and Social Audit
Ramachandran Shri Krishnan Narayanasamy

Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether the Government have insisted the corporate companies of the country on implementation of Corporate Social Responsibility (CSR);

(b) if so, the details thereof and the response of the corporate companies thereon; and

(c) whether the Government plans to undertake a social audit of good governance practices in the corporate sector and if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE
MINISTRY OF CORPORATE AFFAIRS (SHRI ARJUN RAM MEGHWAL)
???????? ????? ???????? ??? ????? ?????? (???? ?????? ??? ??????)

(a) & (b): Section 135 of the Companies Act 2013, requires every company above the specified thresholds of turnover, or net worth, or net profit, to spend at least two per cent of the average net profits earned during three immediately preceding financial years, on Corporate Social Responsibility (CSR). Section 135 of the Companies Act 2013, the Rules made thereunder, and Schedule VII of the Act read with General Circulars dated 18th June, 2014 and 12th January, 2016 issued by the Ministry of Corporate Affairs, give the broad contour within which the Board of the eligible companies have been empowered to formulate their CSR policies and take decision with respect to allocation of CSR funds across various development sectors.
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An assessment of CSR expenditure of 7334 companies, for which information has been compiled for the year 2014-15, indicates that 142 Public Sector Undertakings (PSUs) and 2997 Private Sector companies together have spent Rs. 8803 crore during 2014-15 as summarised below:

CSR Expenditure during 2014-15
Sr. No. Company Type Total companies No. of Companies with CSR expenditure No. of Companies with no CSR expenditure Actual CSR expenditure (in Rs. Crore) (2014-15)
1. PSUs 226 142 84 2497
2. Private Sector Companies 7108 2997 4111 6306
Total 7334 3139 4195 8803

(c): No, Madam.

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